

Internal Revenue Service

District
Director

Department of the Treasury

P. O. Box 260
Newark, NJ 07101

Person to Contact:

Telephone Number:

Refer Reply to:

P. O. Box 12070
Phila., PA 19106

Date:

DEC 2 7 1961

Dear Applicant:

We have completed our review of your application for recognition of exemption under Section 501(c)(3) of the Internal Revenue Code.

The evidence submitted indicates that you were formed in [REDACTED], as an unincorporated association. Your expected activities include soliciting contributions of money and usable items to distribute to the [REDACTED].

Although your organization claims to be operating as a church, you do not hold any religious services and have no active members to speak of except for the board of directors. You do not have a statement of belief or creed.

You expect to receive approximately [REDACTED] in contributions during the next year and [REDACTED] the second year which will be used to further the purposes of the [REDACTED].

Section 501(c)(3) of the Internal Revenue Code provides, in part, for the exemption from Federal income tax of corporations, and any community chest, fund or foundation organized and operated exclusively for religious, charitable, scientific, literary or educational purposes no part of the net earnings of which inures to the benefit of any private individual.

Section 1.501(c)(3)-1(a) of the Income Tax Regulations provides that in order to be exempt as an organization described in Section 501(c)(3), an organization must be both organized and operated exclusively for one or more exempt purposes specified in that section. If it fails to meet either test, it is not exempt.

Section 1.501(c)(3)-1(b)(1)(i) provides that an organization is organized exclusively for one or more exempt purposes only if its articles of organization:

- (a) Limit the purposes of such organization to one or more exempt purposes, and

- (b) Do not expressly empower the organization to engage, therewise as an insubstantial part of its activities, in activities which themselves are not in furtherance of one or more exempt purposes.

Section 1.501(c)(3)-1(b)(1)(ii) stipulates that the organizations purposes, as stated in its articles, may be as broad as or more specific than, the purposes stated in Section 501(c)(3).

Section 1.501(c)(3)-1(b)(IV) provides that in no case shall an organization be considered to be organized for one or more exempt purposes if, by the terms of its articles, the purposes of which such organization is created are broader than the purposes specified in Section 501(c)(3). Also, such an organization will not meet the organizational test as a result of statements or other evidence that the members thereof intend to operate only in furtherance of one or more exempt purposes.

Section 1.501(c)(3)-1(b)(4) stipulates that an organization is not organized exclusively for one or more exempt purposes unless its assets are dedicated to an exempt purpose.

On the basis of the information submitted, we have concluded that you are not organized and operated exclusively for one or more of the purposes described in Section 501(c)(3) of the Code. Your purposes are broader and not limited to Section 501(c)(3) purposes, and your assets are not dedicated to Section 501(c)(3) purposes.

To qualify for exemption under Section 501(c)(3) of the Internal Revenue Code, the organization has the burden of showing that it is organized and operated exclusively for exempt purposes, that no part of the net earnings will benefit any private shareholder or individual.

Based on the evidence submitted, we have concluded your only activities is fund raising which does not qualify as an exclusively religious activity within the meaning of Section 501(c)(3). You also do not serve a public purpose since your activities are controlled by a board of directors who are not subject to any outside influence or control by other members normally associated with a church.

Therefore, exemption from Federal income tax as an organization described in Section 501(c)(3) is denied and you are required to file Federal income tax returns.

You have the right to appeal this determination if you believe that it is incorrect. To appeal, please refer to the enclosed Publication 892.

[REDACTED]

If we do not hear from you within thirty days from the date of this letter, this determination will have become final.

Copies of this letter are being forwarded to the appropriate State officials as required by Section 6104(c) of the Internal Revenue Code.

If you do not protest this proposed determination in a timely manner, it will be considered by the Internal Revenue Service as a failure to exhaust available administrative remedies. Section 7428(b)(2) of the Internal Revenue Code provides in part that, "A declaratory judgment or decree under this section shall not be issued in any proceeding unless the Tax Court, the Court of Claims, or the District Court of the United States for the District of Columbia determines that the organization involved has exhausted administrative remedies available to it within the Internal Revenue Service."

Sincerely yours,

[REDACTED]
District Director

Encl:
Publication 892

[REDACTED]